

105TH CONGRESS
1ST SESSION

H. R. 819

To require annual, detailed investment reports by plans with qualified cash or deferred arrangements, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 25, 1997

Mr. CONDIT (for himself, Mr. McDERMOTT, and Mr. FOGLIETTA) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To require annual, detailed investment reports by plans with qualified cash or deferred arrangements, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small 401(k) Pension
5 Disclosure Act of 1997”.

1 **SEC. 2. REQUIREMENT OF ANNUAL, DETAILED INVEST-**
 2 **MENT REPORTS APPLIED TO CERTAIN 401(k)**
 3 **PLANS.**

4 (a) IN GENERAL.—Section 104(b)(3) of the Em-
 5 ployee Retirement Income Security Act of 1974 (29
 6 U.S.C. 1024(b)(3)) is amended—

7 (1) by inserting “(A)” after “(3)”; and

8 (2) by adding at the end the following new sub-
 9 paragraph:

10 “(B)(i) If a plan includes a qualified cash or
 11 deferred arrangement (as defined in section
 12 401(k)(2) of the Internal Revenue Code of 1986)
 13 and is maintained by an employer with less than 100
 14 participants, the administrators shall furnish to each
 15 participant and to each beneficiary receiving benefits
 16 under the plan an annual investment report detail-
 17 ing such information as the Secretary by regulation
 18 shall require.

19 “(ii) Clause (i) shall not apply with respect to
 20 any participant described in section 404(c).”.

21 (b) REGULATIONS.—

22 (1) IN GENERAL.—The Secretary of Labor, in
 23 prescribing regulations required under section
 24 104(b)(3)(B)(i) of the Employee Retirement Income
 25 Security Act of 1974 (29 U.S.C. 1023(b)(3)(B)(i)),
 26 as added by subsection (a), shall consider including

1 in the information required in an annual investment
2 report the following:

3 (A) Total plan assets and liabilities as of
4 the beginning and ending of the plan year.

5 (B) Plan income and expenses and con-
6 tributions made and benefits paid for the plan
7 year.

8 (C) Any transaction between the plan and
9 the employer, any fiduciary, or any 10-percent
10 owner during the plan year, including the acqui-
11 sition of any employer security or employer real
12 property.

13 (D) Any noncash contributions made to or
14 purchases of nonpublicly traded securities made
15 by the plan during the plan year without an ap-
16 praisal by an independent third party.

17 (2) ELECTRONIC TRANSFER.—The Secretary of
18 Labor in prescribing such regulations shall also
19 make provision for the electronic transfer of the re-
20 quired annual investment report by a plan adminis-
21 trator to plan participants and beneficiaries.

22 (c) EFFECTIVE DATE.—The amendment made by
23 subsection (a) shall apply to plan years beginning after
24 the date of the enactment of this Act.

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